

FISCAL NOTE

SB 3510 – HB 4091

March 5, 2008

SUMMARY OF BILL: Transfers the administrative procedures regarding vehicle forfeiture for persons driving on revoked, cancelled, or suspended driver licenses, when the revocation, cancellation, or suspension was for DUI, from the Department of Safety (DOS) to the courts with the District Attorney General being the prosecutorial authority.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – Net Impact – \$50,000

Decrease State Expenditures – Net Impact - \$100,000

Increase Local Revenue – \$50,000

Increase Local Expenditures – Not Significant

Other Fiscal Impact – Funds remaining after vehicle forfeiture auctions are allocated to the Alcohol and Drug Addiction Fund. The extent of these remaining funds could increase or decrease by an amount estimated to be not significant.

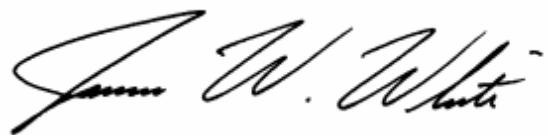
Assumptions:

- DOS indicates that the number of vehicle forfeiture hearings heard by the Department will decrease by approximately 800 per year.
- DOS indicates that cost bond revenue received by the Department from individuals requesting administrative hearings is estimated to be \$100,000 per year. This revenue is a dedicated source of revenue. Approximately \$70,000 passes through to the Secretary of State, the Administrative Procedures Division (APD) for docketing charges. The remainder (approximately \$30,000) is used for paying other administrative costs associated with conducting the forfeiture hearings.
- Given that DOS will no longer conduct these forfeiture hearings, and as a result, no longer collect cost bond revenue, the Department will no longer pay docketing charges to the APD. Therefore, a decrease of revenue to the APD equal to approximately \$70,000 per year.

- DOS has indicated that it will reduce departmental expenditures by an additional \$30,000 per year to offset the total reduction of revenue.
- Depending upon the jurisdictional limits of multiple courts, some vehicle forfeiture hearings are expected to be held in chancery, circuit and criminal Courts, and some are expected to be held in general sessions courts.
- Courts will require cost bonds similar to those currently required by DOS. As a result, the increase of cost bond revenue to the courts is estimated to be \$100,000 per year.
- Fifty percent of hearings are estimated to be held in general sessions courts. Therefore, fifty percent of total cost bond revenue (\$50,000) is estimated to go to local governments.
- The net decrease of state revenue is estimated to be \$50,000 per year. This net result takes into account an estimated increase of revenue of \$50,000 from chancery, circuit and criminal courts, and a \$100,000 decrease of revenue from the DOS (\$70,000 of which is earmarked revenue for APD).
- The decrease of state expenditures is estimated to be \$100,000 per year (\$70,000 in docketing fees and \$30,000 in administrative costs – both currently incurred by DOS).
- According to the Administrative Office of the Courts (AOC), no additional judges will be required. As a result, any increase to state and local government expenditures derived from the courts is estimated to be not significant.
- Gross proceeds from the sale of forfeited vehicles are estimated to remain relatively constant; net proceeds could increase or decrease by an amount estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/rnc